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FM AMEMBASSY LIMA  
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INFO RUEHAC/AMEMBASSY ASUNCION PRIORITY 2012  
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RUEHBR/AMEMBASSY BRASILIA PRIORITY 7909  
RUEHBU/AMEMBASSY BUENOS AIRES PRIORITY 3437  
RUEHCV/AMEMBASSY CARACAS PRIORITY 1200  
RUEHLP/AMEMBASSY LA PAZ JUL 4935  
RUEHMN/AMEMBASSY MONTEVIDEO PRIORITY 9553  
RUEHQT/AMEMBASSY QUITO PRIORITY 1997  
RUEHSG/AMEMBASSY SANTIAGO PRIORITY 1956  
RUEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC PRIORITY  
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C O N F I D E N T I A L LIMA 001191

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TAGS: [PGOV](#) [ASEC](#) [PREL](#) [PINR](#) [PE](#)  
SUBJECT: NATIONAL STRIKE MOSTLY PEACEFUL, STRONGEST IN  
UNREST-PRONE REGIONS

REF: A. LIMA 895  
[1](#)B. LIMA 389  
[1](#)C. LIMA 1153

Classified By: CDA J. Nealon for reasons 1.4b and d.

[1](#)1. (C) Summary: On July 8th and 9th, thousands of Peruvians across the country joined a national strike to protest against the government's failure "to fulfill its promises" and the rising cost of living. The strike generally proceeded peacefully, with a manageable protest in Lima, and roadblocks and more substantial work stoppages in a handful of unrest-prone regions. The GOP, citing the lack of violence and the large percentages that went to work, declared the strike a failure. By contrast, strike leaders, citing regional participation, called the day a success. Overall, the government probably emerged stronger from the strike, having demonstrated that it can maintain order. But even President Garcia acknowledged that many Peruvians want more from the government and that the demonstrations expressed the genuine concerns of many Peruvians about rising prices and entrenched poverty. End Summary.

Strike Contained in Lima, Stronger in Regions  
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[1](#)2. (SBU) On July 8th and 9th, thousands of Peruvians across the country joined a national strike to protest against the rising cost of living and the government. The strikes were generally peaceful with only a handful of incidents of minor violence, 200 arrests, and no deaths or serious injuries. In Lima, thousands of protestors gathered in the city center and marched to a principal plaza under close police escort. One observer told poloff that the protest attracted twice as many people as the "Summit of the Peoples" rally in May (Ref A) and nearly filled the plaza, or possibly several thousand demonstrators. Another observer said that Lima's public transport had a lighter-than-normal passenger load, similar to a weekend or holiday, because of workers respecting the strike. But transit proceeded normally without noteworthy disruptions or roadblocks.

[1](#)3. (C) Outside Lima, strikes and protests in several unrest-prone regions slowed economic activity to a crawl. Embassy contacts on the scene described Ayacucho -- location of the New Horizons military-humanitarian mission -- as the hardest hit region. Three to five thousand protestors marched through the capital Huamanga, and others blocked all the region's highways. In Cusco and Puno, demonstrators generally left principal urban centers undisturbed, but shut

down roads in rural areas. The security chief for Peru Rail, which runs trains to Machu Picchu, described protests in rural Cusco as more aggressive and dangerous than similar protests in February. (Ref B) Observers said strikes and roadblocks in Apurimac, Huancaavelica, and Madre de Dios were also significant.

#### Government Declares Strike a Failure

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14. (C) GOP officials later July 9th declared the strike a failure but promised to keep working to meet the needs of the most poor. President Alan Garcia praised workers for not supporting the strike and argued that "the population has demonstrated that it neither had nor has the will to detain the country by paralyzing productive activities." But he vowed that the government would not act triumphal, acknowledging that "perhaps 60% of the population" is dissatisfied and wants the government to do more. Prime Minister Jorge del Castillo, the government's lead negotiator with protest groups, claimed that 100% of public employees and 98% of private sector workers in Lima and Callao attended work as normal. The Labor Minister claimed that nationally 93% reported to work. A Peruvian National Police official argued to Embargo that despite GOP bungling prior to the protests -- the GOP, he said, had acted scared and vulnerable -- the population showed that they were more interested in their personal economic situation than in getting involved in a politically-motivated strike. The official noted that the most widely sold newspaper-tabloids hardly mentioned the strike, reflecting Peruvians' lack of interest.

#### Principal Union Praises Strike's Success

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15. (C) In a press conference July 9th, Mario Huaman, head of the union that organized the strike, called the day a success. "In the provinces the strike was almost total. We have to recognize that in Lima it was not total, but a majority did participate," said Huaman. who added that 90% of civil construction workers participated and shut down most public works throughout the country. In an apparent attempt to rally momentum from the strike behind a new leftist political movement, Huaman called for the strike to be followed by an undefined "National Assembly of the Peoples" on November 4th. Less partisan observers argued to poloff that the success of the strike in various regions effectively demonstrated the discontent felt by many in south and central Peru. The relative lack of violence was indeed a success for the government, said one analyst, but also for the strike leaders who had called for peaceful protest. Another told poloff that this was the first national strike in a long time that successfully organized peaceful work stoppages and roadblocks in so many regions. Several national periodicals -- principally Caretas, La Republica, Peru 21, and the partisan La Primera -- published strike photos that have contributed to the impression that the strikes had at least a partial success outside Lima.

#### Comment: Strike a Qualified Success for Government

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16. (C) The GOP undoubtedly succeeded in achieving its main goals by ensuring that the vast majority of Peruvians reported to work and by demonstrating that it can maintain order in the run-up to APEC. By contrast, the main opposition union probably failed in its goal of attracting enough protestors to create momentum behind a new leftist political movement. (Ref B) But as President Garcia and many local observers have noted, the strike did express the genuine concerns of many Peruvians about rising prices and entrenched poverty, especially in the central and southern highlands. The government has much left to do.

NEALON